

Financial Statements of

**GABRIEL DUMONT  
INSTITUTE OF NATIVE  
STUDIES AND APPLIED  
RESEARCH, INC.**

Year ended March 31, 2008



**KPMG LLP**  
**Chartered Accountants**  
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## **AUDITORS' REPORT TO THE MEMBERS**

We have audited the the statement of financial position of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. as at March 31, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures were audited by another firm of chartered accountants.

**KPMG LLP**

Chartered Accountants

Saskatoon, Canada  
October 14, 2008

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

## Statement of Financial Position

March 31, 2008, with comparative figures for 2007

	2008	2007 (Restated - note 14)
<b>Assets</b>		
Current assets:		
Cash	\$ 890,479	\$ 1,119,258
Short-term investments	331,243	220,750
Accounts receivable	704,631	619,329
Inventory	36,031	52,823
Prepaid expenses	30,533	38,449
Due from affiliates (note 3)	383,504	509,912
Current portion of mortgage receivable (note 4)	25,000	25,000
	<u>2,401,421</u>	<u>2,585,521</u>
Mortgage receivable (note 4)	111,432	103,407
Property, plant and equipment (note 5)	<u>624,839</u>	<u>653,318</u>
	<u>\$ 3,137,692</u>	<u>\$ 3,342,246</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 227,245	\$ 872,573
Deferred contributions (note 6)	<u>68,926</u>	<u>186,307</u>
	296,171	1,058,880
Net assets (deficiency)		
Administration and core services	2,038,414	1,535,887
Invested in property, plant & equipment	624,839	653,318
Publishing	(102,520)	(89,157)
S.U.N.T.E.P.	200,028	98,453
Other specific contract projects	80,760	80,760
Restricted for endowment purposes (note 7)	<u>-</u>	<u>4,105</u>
	2,841,521	2,283,366
Commitments (note 11)	<u>\$ 3,137,692</u>	<u>\$ 3,342,246</u>

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

## Statement of Changes in Net Assets

Year ended March 31, 2008, with comparative figures for 2007

	Administration and Core Services	Publishing	S.U.N.T.E.P.	Other Specific Contract Projects	Invested in Property, Plant and Equipment	Endowment	2008	2007 (Restated - note 14)
Net assets (deficiency), beginning of year, as previously reported	\$ 1,567,338	\$ (1,268)	\$ 98,453	\$ 80,760	\$ 653,318	\$ 4,105	\$ 2,402,706	\$ 1,991,204
Restatement (note 14)	(31,451)	(87,889)	-	-	-	-	(119,340)	-
As restated	1,535,887	(89,157)	98,453	80,760	653,318	4,105	2,283,366	1,991,204
Net revenue (expense)	246,910	(13,363)	324,608	-	-	-	558,155	292,162
Amortization	46,634	-	9,077	-	(55,711)	-	-	-
Purchase of property, plant and equipment	(24,512)	-	(2,720)	-	27,232	-	-	-
Interfund transfers-administration support/facility recovery	233,495	-	(229,390)	-	-	(4,105)	-	-
	\$ 2,038,414	\$ (102,520)	\$ 200,028	\$ 80,760	\$ 624,839	\$ -	\$ 2,841,521	\$ 2,283,366

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

## Statement of Operations

Year ended March 31, 2008, with comparative figures for 2007

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2008	2007 (Restated - note 14)
Revenue:					
Government of Canada					
- Privy Council Office	\$ -	\$ 253,700	\$ -	\$ 253,700	\$ 253,700
- The Department of Canadian Heritage	144,976	-	-	144,976	136,724
Government of Saskatchewan					
- Saskatchewan Learning	1,634,217	96,969	2,490,267	4,221,453	3,526,105
Other (schedule 1)	856,278	24,890	568,921	1,450,089	1,698,314
	2,635,471	375,559	3,059,188	6,070,218	5,614,843
Expenses					
Salaries and benefits (schedule 3)	867,462	272,274	1,121,149	2,260,885	2,492,323
Instructional costs	143	-	1,246,296	1,246,439	991,567
Operating Costs (schedule 2)	794,663	66,934	220,804	1,082,401	1,007,844
Curriculum development	9,332	16,624	43,813	69,769	263,069
Travel and sustenance (schedule 3)	188,279	7,779	67,113	263,171	207,721
Public relations (schedule 3)	122,079	10,327	28,912	161,318	75,750
Kapachee	54,686	-	-	54,686	54,686
Library costs	12,351	3,579	5,293	21,223	12,819
Works of art	1,816	11,405	-	13,221	750
Scholarships	337,750	-	1,200	338,950	216,152
	2,388,561	388,922	2,734,580	5,512,063	5,322,681
Net revenue (expense)	\$ 246,910	\$ (13,363)	\$ 324,608	\$ 558,155	\$ 292,162

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

## Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
		(Restated - note 14)
Cash flows from (used in):		
Operations:		
Net revenue (expense)	\$ 558,155	\$ 292,162
Items not involving cash:		
Amortization	55,711	58,991
Accrued mortgage interest	(8,025)	(7,265)
	605,841	343,888
Net change in non-cash working capital accounts (Note 8)	(823,303)	387,311
	(217,462)	731,199
Investing:		
Advances from affiliates	126,408	174,107
Purchase of property, plant & equipment	(27,232)	(24,928)
Increase in investments	(110,493)	(8,879)
	(11,317)	140,300
Increase (decrease) in cash	(228,779)	871,499
Cash, beginning of year	1,119,258	247,759
Cash, end of year	\$ 890,479	\$ 1,119,258

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements

Year ended March 31, 2008

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## 1. Nature of operations:

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. (the "Institute") is a not-for-profit organization that provides Métis people in Saskatchewan the opportunity to obtain training and education. This opportunity is provided through the institute as well as its affiliates, Gabriel Dumont College Inc. and Dumont Technical Institute, Inc. The Institute and its affiliates are incorporated under the *Non-Profit Corporations Act of Saskatchewan* and as such are not subject to income tax under the *Income Tax Act (Canada)*.

The Institute controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence Inc., Dumont Technical Institute Inc., Gabriel Dumont Scholarship Foundation II, and Gabriel Dumont Training and Employment Inc., as the Board of Directors of the Institute are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these controlled entities and further information is included in note 9.

## 2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

### (a) Fund accounting:

Revenue and expenses related to program delivery and administrative activities are reported in the following funds:

#### Administration and Core Services

The finance and operations department which is located in Saskatoon is responsible for carrying out the organization's financial planning, administering personnel services and providing administrative support services to the entire organization.

Core service departments include curriculum development, research, and library and information services. The research and curriculum staff are located in Saskatoon and library staff work in both the Regina and Prince Albert Resource Centres. The curriculum department is an important vehicle for the fulfillment of the Institute's mandate, which is the promotion and renewal of Métis culture. The research department is responsible for identifying new projects, developing proposals and identifying funding sources for the

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

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## 2. Significant accounting policies (continued):

successful completion of projects. The library has a unique collection which focuses on Métis history and culture and on issues of concern in Métis and First Nations communities. It serves the research needs of the Institute and is located in Regina, Saskatoon and Prince Albert.

### Publishing

The Publishing fund has allowed the institute to make important links with Métis communities and organization in Western Canada. The funds allocated have assisted the Institute in creating Métis cultural development in the following areas: public education and cultural preservation, awareness, resource/material development, community consultations, Métis cultural programming and the collection of Métis artifacts. The goals accomplished with the contract between the Federal Interlocutor for Métis and Non-Status Indians Division, Privy Council Office and the Institute will lead to a series of long-term Métis-specific resources and cultural programs that will serve the Métis people and the Canadian public into the future.

### S.U.N.T.E.P.

The Saskatchewan Urban Native Teacher Education Program ("S.U.N.T.E.P") is a four-year fully accredited Bachelor of Education program, offered by the Institute in cooperation with Saskatchewan Post-Secondary Education and Skills Training, the University of Regina and the University of Saskatchewan. The program is offered in three urban centres - Prince Albert, Saskatoon and Regina. The program combines training and a sound academic education with extensive classroom experience and a thorough knowledge of issues facing students in our society.

### Other Specific Contract Projects

The Institute has implemented a wide variety of additional education and training offerings throughout Saskatchewan. Many of these programs have been delivered in cooperation with the University of Saskatchewan and Saskatchewan Post-Secondary Education and Skills Training.

### Endowment Contributions

Endowment contributions are restricted to the provision of scholarships.



# **GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.**

Notes to Financial Statements (continued)

Year ended March 31, 2008

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## **2. Significant accounting policies (continued):**

### **(b) Revenue recognition:**

The Institute follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions include grant and contract revenue. Deferred revenue represents funding received related to expenditures and program delivery in future years.

Endowment contributions are reported in the Endowment Fund.

Tuition fees are recognized as revenue when the courses are held.

### **(c) Financial instruments and short-term investments:**

Effective April 1, 2007, the Institute adopted the Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial Instruments - Recognition and Measurement. Pursuant to the requirements of this Section, the Institute has designated all of its cash and investments as "held for trading" and records them at fair value. Accounts receivable are classified as "loans and receivables" and measured at amortized cost. Accounts payable and accrued liabilities are classified as "other financial liabilities" and measured at amortized cost. The adoption of this accounting policy did not have a material impact on the financial statements.

Investments are valued at year-end quoted market prices, where available.

In determining fair values, adjustments have not been made for transaction costs as they are not considered significant. The unrealized gain or loss on investments, being the difference between book value and fair value, is included in interest revenue in the statement of operations.

### **(d) Property, plant and equipment:**

Property, plant and equipment are initially recorded at cost. Donated assets are recorded at their estimated fair market value plus other costs incurred at the date of acquisition. Normal maintenance and repair expenditures are expenses as incurred.

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

Amortization is recorded in the accounts utilizing the following methods and rates:

Asset	Method	Rate
Building	Declining	5 %
Computer equipment	Declining	20 %
Other equipment	Declining	20 %

Leasehold improvements are amortized on the straight line method, over the term of the lease.

Amortization is charged for the full year in the year of acquisition. No amortization is taken in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful lives of the assets. Gains or losses on the disposal of individual assets are recognized in income in the year of disposal.

### (e) Library costs:

The Institute's library collection includes materials related to the culture and history of Aboriginal peoples not readily available from other sources. These materials assist the Institute in its own cultural and historical research and curriculum activities. The acquisition costs of the library collection are expensed. The library collection is not carried at cost and amortized because they are: held for public exhibition, education and research; protected, cared for and preserved; and any proceeds from sales are used to maintain the existing collection and to acquire other items for the collection.

### (f) Inventory:

Inventory is recorded at the lower of average cost or net realizable value.

### (g) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long and short-term disability coverage, dental, vision, and health care benefits to employees. Cost are expensed in the year incurred.

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

### (h) Financial Instruments:

Cash and investments are recorded at fair value. For certain of the Institute's financial instruments including accounts receivable and accounts payable and accrued liabilities, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items. It is not possible to determine the fair value of amounts due from affiliates and the mortgage receivable due to the non-arms length nature of the relationships between the related parties.

### (i) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

## 3. Due from (to) affiliates:

Amounts due from (to) affiliates bear no interest and have no fixed terms of repayments.

	2008	2007
Dumont Technical Institute, Inc.	\$ 223,241	\$ 192,554
Gabriel Dumont Institute Community Training Residence, Inc.	302,991	302,744
Gabriel Dumont College, Inc.	(176,195)	(2,958)
Gabriel Dumont Scholarship Foundation II	33,467	17,572
	<u>\$ 383,504</u>	<u>\$ 509,912</u>

## 4. Mortgage receivable:

The mortgage receivable is with Gabriel Dumont Institute Community Training Residence, Inc. ("CTR") and is due on demand, bearing interest at CIBC prime plus 1% (5.25% at March 31, 2008; 7.00% at March 31, 2007), with CTR's building pledged as collateral. Unpaid interest has been added to the mortgage receivable, such that the amount receivable as of March 31, 2008 is \$136,432 (2007 - \$128,407) consisting of a current portion totaling \$25,000 (2007 - \$25,000).

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 4. Mortgage receivable (continued):

The Institute will not be demanding repayment in the next fiscal year, but has requested that \$25,000 be paid towards the debt in the upcoming fiscal year. The fair value of the mortgage receivable approximates the carrying amount due to its floating rate.

## 5. Property, plant and equipment:

			2008	2007
	Cost	Accumulated amortization	Net book value	Net book value
Administrative:				
Land	\$ 117,000	\$ -	\$ 117,000	\$ 117,000
Building	883,958	536,206	347,752	366,055
Computer expenses	72,710	43,249	29,461	36,826
Other equipment	1,082,497	1,046,098	36,399	38,212
	2,156,165	1,625,553	530,612	558,093
Core services:				
Equipment	307,297	265,944	41,353	34,466
Works of art/artifacts	6,245	891	5,354	5,636
Leasehold improvements	18,984	7,774	11,210	12,455
	332,526	274,609	57,917	52,557
S.U.N.T.E.P.				
Equipment	271,017	234,964	36,053	42,347
Other				
Equipment	16,780	16,523	257	321
	\$ 2,776,488	\$ 2,151,649	\$ 624,839	\$ 653,318

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 6. Deferred contributions:

The Institute has deferred contributions for various projects as follows:

Funding Agent	Project	2008	2007
Canada Heritage	Back to Batoche	\$ -	\$ 45,307
Canada Council for the Arts / SaskCulture / Sask Publishers Group	Publishing	-	3,000
Canada Heritage / Sask Learning / SaskCulture / Métis National Council	Virtual Museum	68,926	73,580
SaskCulture	Métis Cultural Development	-	22,443
Métis National Council	Health & Wellness Scholarship	-	41,977
		\$ 68,926	\$ 186,307

## 7. Endowments:

	2008	2007
Arts Carriere Memorial Fund	\$ -	\$ 2,769
Les Fiddler Memorial Fund	-	1,336
	\$ -	\$ 4,105

## 8. Net change in non-cash working capital accounts:

	2008	2007
		(restated note 14)
Accounts receivable	\$ (85,302)	\$ (77,630)
Inventory	16,792	11,979
Prepaid expenses	7,916	7,436
Accounts payable and accrued liabilities	(645,328)	420,890
Deferred contributions	(117,381)	24,636
	\$ (823,303)	\$ 387,311

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 9. Controlled and related entities:

The following organizations are controlled by the Institute as the Board of Directors are the same directors and the only directors of the Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Resident, Inc., Dumont Technical Institute, Inc., Gabriel Dumont Scholarship Foundation II, and the Gabriel Dumont Institute Training & Employment Inc. Amounts shown are for the most recent fiscal year end of each entity.

	Gabriel Dumont College, Inc. March 31, 2008	Gabriel Dumont Institute Community Training Residence, Inc. March 31, 2008	Dumont Technical Institute, Inc. June 30, 2007	Gabriel Dumont Scholarship Foundation II December 31, 2007	Gabriel Dumont Institute Training & Employment, Inc. March 31, 2008
Total assets	\$ 758,662	\$ 324,045	\$ 2,970,270	\$ 1,233,228	\$ 848,113
Total liabilities	7,665	447,757	1,599,052	23,468	848,113
Net assets					
- internally restricted	750,997	159,076	1,371,218	169,760	-
- externally restricted	-	(282,788)	-	1,040,000	-
	\$ 758,662	\$ 324,045	\$ 2,970,270	\$ 1,233,228	\$ 848,113
Results of operations					
Total revenue	456,735	35,668	4,500,201	71,085	11,565,267
Total expenses	287,993	51,700	4,187,261	92,694	11,565,267
Net revenue (expense)	\$ 168,742	\$ (16,032)	\$ 312,940	\$ (21,609)	\$ -
Cash flows					
Cash provided by (used in) operations	\$ (109,905)	\$ (17,817)	\$ (19,880)	10,128	(256,862)
Cash provided by (used in) financing and investing activities	(4,378)	-	(342,716)	52,986	(2,697,068)
Increase (decrease) in cash	\$ (114,283)	\$ (17,817)	\$ (362,596)	\$ 63,114	\$ (2,953,930)
Cash, end of year	\$ 160,631	\$ 65,492	\$ 1,208,022	\$ 72,006	\$ (6,671)

## 10. Related party transactions:

The Institute had the following transactions with related parties during the year. All transactions were recorded at fair market value (except where otherwise indicated).

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 10. Related party transactions (continued):

	2008	2007
Entities under common control		
Administrative services revenue, at negotiated value	\$ 268,228	\$ 368,529
Interest income accrued at mortgage receivable	8,025	7,265
Office and equipment rent	67,056	133,218
	<u>\$ 343,309</u>	<u>\$ 509,012</u>

Inter-fund administrative support/facility recovery expenses are charged by way of a transfer between the net assets of the administration fund and the other funds based on use of services.

## 11. Commitments:

The Institute is committed under term leases as follows:

University of Regina classroom and office space to August 31, 2008 at a monthly rental of \$10,541.

University of Saskatchewan classroom and office space to June 30, 2009 at a monthly rental of \$2,871.

Saskatoon office space to April 30, 2013 at a monthly rental of \$4,900.

## 12. Economic dependence:

The majority of funding for the operations of the Institute is provided by various levels of government. Funding is provided by annual grants and under contracts expiring on various dates.

## 13. Pension plan:

The Institute contributes to a pension plan for the employees based on a negotiated rate of contribution. The pension expense for the year was \$116,691 (2007- \$105,246).

# **GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.**

Notes to Financial Statements (continued)

Year ended March 31, 2008

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## **14. Restatement of 2007 financial statements:**

The prior year figures presented for comparative purpose have been restated to reflect the correction of certain errors related to the operations of the previous fiscal year. As a result of the correction of these errors, which related to the non-recording of certain expenses, curriculum development expenses were increased by \$119,340, accounts receivable were increased by \$4,740 and accounts payable and accrued liabilities were increased by \$124,080. Net assets related to the Core Service fund were decreased by \$31,451 and net assets related to the Métis Cultural Centre fund were decreased by \$87,889 as a result of this restatement.

Certain comparative figures have also been reclassified to conform with the financial statement presentation adopted in the current year.



# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedule of Other Revenue

Year ended March 31, 2008, with comparative figures for 2007

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2008	2007
Fees for services	\$ 346,062	\$ -	\$ -	\$ 346,062	\$ 661,096
First Nations and Métis Relations	-	-	-	-	25,000
Interest	61,203	-	-	61,203	35,608
Métis National Council	332,438	-	-	332,438	245,624
Miscellaneous	29,758	-	7,363	37,121	65,715
Prince Albert Grand Council	-	-	66,100	66,100	72,800
Sales and royalties	-	7,005	-	7,005	78,670
Saskatchewan Advance Education & Employment	47,874	7,785	-	55,659	8,345
Saskatchewan Publishers Group	-	10,100	-	10,100	35,327
Saskatoon Catholic Board of Education	-	-	-	-	640
SaskCulture Inc.	38,943	-	-	38,943	15,000
Teaching income	-	-	210,281	210,281	113,978
Tuition income	-	-	285,177	285,177	340,511
	\$ 856,278	\$ 24,890	\$ 568,921	\$ 1,450,089	\$ 1,698,314

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

## Schedule of Operating Costs

Year ended March 31, 2008, with comparative figures for 2007

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2008	2007
Amortization	\$ 46,634	\$ -	\$ 9,077	\$ 55,711	\$ 58,991
Bank charges	2,044	-	-	2,044	1,351
Building	269,854	11	108,972	378,837	331,845
Computer services	45,192	-	6,118	51,310	58,717
Consulting and legal service	185,560	53,500	1,200	240,260	153,051
Duplicating and materials development	5,944	-	8,394	14,338	116,170
Payroll interest & penalties	46,196	-	-	46,196	-
Insurance	49,369	-	10,268	59,637	29,700
Miscellaneous	20,910	205	4,277	25,392	109,951
Office supplies	20,823	2,186	15,048	38,057	31,157
Other equipment expenses	38,373	9,150	22,390	69,913	37,420
Postage and courier	26,535	1,882	2,638	31,055	19,345
Telephone	37,229	-	32,422	69,651	60,146
	\$ 794,663	\$ 66,934	\$ 220,804	\$ 1,082,401	\$ 1,007,844

# GABRIEL DUMONT INSTITUTE OF NATIVE STUDIES AND APPLIED RESEARCH, INC.

Schedule of Public Relations, Salary and Benefits and Travel and Sustenance Expenses

Year ended March 31, 2008, with comparative figures for 2007

	Administration & Core Services	Publishing	S.U.N.T.E.P.	2008	2007
Public Relations					
Promotion, publicity and graduation	\$ 108,880	\$ 10,327	\$ 19,849	\$ 139,056	\$ 46,838
Recruitment	13,199	-	7,455	20,654	27,860
Orientation	-	-	1,608	1,608	1,052
	122,079	10,327	28,912	161,318	75,750
Salaries and benefits					
Staff salaries and wages	761,180	272,274	983,509	2,016,963	2,143,802
Staff benefits	106,282	-	137,640	243,922	348,521
	867,462	272,274	1,121,149	2,260,885	2,492,323
Travel and sustenance					
Staff and students	76,803	7,779	66,863	151,445	120,872
Board	111,476	-	250	111,726	86,849
	188,279	7,779	67,113	263,171	207,721

Financial Statements of

**DUMONT TECHNICAL  
INSTITUTE INC.**

Year ended June 30, 2008



**KPMG LLP**  
**Chartered Accountants**  
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## AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Dumont Technical Institute Inc. as at June 30, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at June 30, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*KPMG LLP*

Chartered Accountants

Saskatoon, Canada  
October 21, 2008

# DUMONT TECHNICAL INSTITUTE INC.

## Statement of Financial Position

June 30, 2008, with comparative figures for 2007

	2008	2007
<b>Assets</b>		
Current assets:		
Cash	\$ 1,481,183	\$ 1,208,022
Accounts receivable	853,141	363,088
Prepaid expenses	20,839	13,865
	2,355,163	1,584,975
Investments (note 2)	1,053,609	692,486
Property, plant and equipment (note 3)	645,585	692,809
	\$ 4,054,357	\$ 2,970,270
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 579,754	\$ 233,992
Deferred revenue	1,161,037	960,120
Current portion of term debt (note 4)	13,266	12,574
Amount due to affiliates (note 5)	254,228	204,396
	2,008,285	1,411,082
Term debt (note 4)	174,504	187,970
Net assets:		
Invested in property, plant and equipment	457,815	492,265
Core	572,351	283,449
Programming	841,402	595,504
	1,871,568	1,371,218
	\$ 4,054,357	\$ 2,970,270

See accompanying notes to financial statements.

# DUMONT TECHNICAL INSTITUTE INC.

## Statement of Operations

Year ended June 30, 2008, with comparative figures for 2007

	Core	BE Programs	Other Programs	2008	2007
<b>Revenue:</b>					
Government of					
Saskatchewan grants	\$1,058,350	\$ 2,107,797	\$ 785,302	\$ 3,951,449	\$ 3,416,014
Tuition and fees	305,035	-	1,713,592	2,018,627	1,113,719
Public Works Canada	-	-	-	-	116,772
Service Canada	-	-	-	-	47,905
Investment income	110,739	-	-	110,739	29,695
Miscellaneous income	55,965	20,407	-	76,372	13,169
	1,530,089	2,128,204	2,498,894	6,157,187	4,737,274
<b>Expenses:</b>					
Salaries	645,226	1,066,262	527,266	2,238,754	1,812,841
Purchased courses	31,872	317,027	876,160	1,225,059	617,220
Instructional costs	29,420	104,131	212,816	346,367	594,841
Staff benefits	50,490	223,294	84,157	357,941	303,000
Equipment and					
education supplies	30,350	158,644	40,340	229,334	219,920
Staff and board travel	39,249	42,412	55,684	137,345	117,044
Administrative services	135,683	-	148,373	284,056	101,579
Facilities	56,765	261,049	125,584	443,398	322,200
Amortization	74,711	-	-	74,711	72,769
Office supplies	27,511	33,075	16,325	76,911	72,586
Professional services	64,438	2,047	7,118	73,603	53,139
Telephone and fax	22,749	24,740	6,305	53,794	51,669
Software support	6,848	18,450	8,240	33,538	46,110
Public relations	5,061	3,840	5,329	14,230	14,195
Interest and bank	31,121	536	488	32,145	12,325
Insurance	10,913	821	458	12,192	8,240
Miscellaneous	13,230	4,010	1,341	18,581	4,656
Bad debts	-	-	4,878	4,878	-
	1,275,637	2,260,338	2,120,862	5,656,837	4,424,334
<b>Excess (deficiency) of revenue</b>					
<b>over expenses</b>	<b>\$ 254,452</b>	<b>\$ (132,134)</b>	<b>\$ 378,032</b>	<b>\$ 500,350</b>	<b>\$ 312,940</b>

See accompanying notes to financial statements.

# DUMONT TECHNICAL INSTITUTE INC.

## Statement of Changes in Net Assets

Year ended June 30, 2008, with comparative figures for 2007

	Invested in property, plant and equipment	Core	<u>Programming Funds</u> BE Other Programs Programs		2008	2007
Balance, beginning of year	\$ 492,265	\$ 283,449	\$ 312,135	\$ 283,369	\$1,371,218	\$1,058,278
Excess (deficiency) of revenue over expenses	-	254,452	(132,134)	378,032	500,350	312,940
Purchase of property, plant and equipment	27,487	(27,487)	-	-	-	-
Amortization	(74,711)	74,711	-	-	-	-
Repayment of loan	12,774	(12,774)	-	-	-	-
Balance, end of year	\$ 457,815	\$ 572,351	\$ 180,001	\$ 661,401	\$1,871,568	\$1,371,218

See accompanying notes to financial statements.



# DUMONT TECHNICAL INSTITUTE INC.

## Statement of Cash Flows

Year ended June 30, 2008, with comparative figures for 2007

	2008	2007
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 500,350	\$ 312,940
Item not involving cash:		
Amortization	74,711	72,769
Change in non-cash operating working capital:		
Accounts receivable	(490,053)	(233,653)
Prepaid expenses	(6,974)	4,694
Accounts payable and accrued liabilities	345,762	132,313
Deferred revenue	200,917	(309,885)
	624,713	(20,822)
Financing:		
Repayment of term debt	(12,774)	(12,240)
Purchase of investments (net)	(361,123)	(23,837)
Amount due to affiliates	49,832	(228,297)
	(324,065)	(264,374)
Investing:		
Purchase of property, plant and equipment	(27,487)	(77,400)
Increase (decrease) in cash	273,161	(362,596)
Cash, beginning of year	1,208,022	1,570,618
Cash, end of year	\$ 1,481,183	\$ 1,208,022
Supplemental cash flow disclosure:		
Interest on term debt	\$ 11,104	\$ 11,094

See accompanying notes to financial statements.

# DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements

Year ended June 30, 2008

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## **Nature of organization:**

Dumont Technical Institute Inc. ("the Institute") is an organization that provides Métis people in Saskatchewan the opportunity to obtain training and education through the Institute as well as its affiliates, Gabriel Dumont College, Inc. and Gabriel Dumont Institute of Native Studies and Applied Research, Inc. The Institute is incorporated under the Non-Profit Corporations Act of Saskatchewan and as such is not subject to income tax under the Income Tax Act (Canada).

The Institute's operations are divided into three main segments.

The core operations are responsible for program coordination, resource management, strategic planning, provision of counselling services and the day-to-day functions of the Institute.

The Basic Education Programming (BE) includes a wide range of programs aimed at increasing the education and literacy levels of course participants. Programs offered under the BE include adult secondary education, life skills and employment enhancement.

Other programs include a wide range of technical programming with the aim of equipping students with the necessary knowledge and skills to enter the labour market.

The majority of these skills training programs are accredited through Saskatchewan Institute of Applied Science and Technology (SIAST).

## **1. Significant accounting policies:**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied within the framework of the accounting policies summarized below:

### **(a) Use of estimates:**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

# DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2008

## 1. Significant accounting policies (continued):

### (b) Revenue recognition:

The Institute follow the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be reviewed can be reasonable estimated and collection is reasonable assured. Contract revenue is recognized as service is provided under the contract. Deferred revenue represents funding received related to expenditures and program delivery in future years.

### (c) Investments:

Investments consist of money market mutual funds and fixed income bond pooled funds with a Canadian chartered bank and are carried at market value. These investments are considered long-term in nature as they are held for long-term investment purposes.

In determining fair values, adjustments have not been made for transaction costs as they are not considered significant. The unrealized gain or loss on investments, being the difference between book value and fair value, is included in interest revenue in the statement of operations.

### (d) Property, plant and equipment:

Property, plant and equipment is stated at cost. Amortization is provided using the following methods and annual rates:

Asset	Method	Rate
Computer equipment	Declining balance	30%
Furniture and equipment	Declining Balance	20%
Building	Declining balance	5%

Amortization is charged in the year of acquisition for the full year. No amortization is charged in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful life of the assets. Any gain or loss on the disposal of individual assets is recognized in income in the year of disposal.

# DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2008

## 1. Significant accounting policies (continued):

### (e) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long and short term disability coverage, dental, vision, and health care benefits to employees. Costs are expensed in the year incurred.

### (f) Financial instruments and short-term investments

Effective July 1, 2007, the Institute adopted the Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial Instruments - Recognition and Measurement. Pursuant to the requirements of this Section, the Institute has designated all of its cash and investments as "held for trading" and records them at fair value. Accounts receivable are classified as "loans and receivables" and measured at amortized cost. Accounts payable and accrued liabilities are classified as "other financial liabilities" and measured at amortized cost. The adoption of this accounting policy did not have a material impact on the financial statements.

## 2. Investments:

	2008 Market Value	2007 Market Value
Imperial Short Term Bond Pool (Cost \$428,373)	\$ 421,615	\$ 278,146
Imperial Canadian Bond Pool (Cost \$461,481)	453,269	301,929
Imperial International Bond Pool (Cost \$21,129)	21,696	13,767
Imperial Money Market Pool (Cost \$157,195)	157,029	98,644
	<u>\$ 1,053,609</u>	<u>\$ 692,486</u>

# DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2008

## 3. Property, plant and equipment:

			2008	2007
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 109,574	\$ -	\$ 109,574	\$ 109,574
Furniture and equipment	489,262	361,366	127,896	161,536
Building	530,213	178,643	351,570	370,073
Computer equipment	93,685	37,140	56,545	51,626
	\$ 1,222,734	\$ 577,149	\$ 645,585	\$ 692,809

## 4. Term debt:

	2008	2007
Clarence Campeau Development Fund term loan due December 2018, repayable in monthly blended instalments of \$1,989 bearing interest at 5.72% (interest renegotiated annually) against which the building has been pledged as collateral.	\$ 187,769	\$ 200,544
Current portion of term debt	13,265	12,574
	\$ 174,504	\$ 187,970

Estimated principal repayments of long-term debt for each of the next five years and thereafter are as follows:

2009	\$ 13,265
2010	14,269
2011	15,107
2012	15,994
2013	16,933
Thereafter	112,201

# DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2008

## 5. Amount due to affiliates:

Amounts due to affiliates bear no interest and have no fixed repayment terms.

	2008	2007
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 245,280	\$ 195,448
Gabriel Dumont College, Inc.	8,948	8,948
	\$ 254,228	\$ 204,396

## 6. Related Party Transactions:

The Institute conducts business with several organizations which are affiliated through the Metis Nation of Saskatchewan. Related party transactions are recorded at the exchange amount.

	2008	2007
Administrative services expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	\$ 284,056	\$ 101,579
Rent expense:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	72,640	70,848
Sakitawak Metis Nation	9,293	18,000
Revenue - tuition and fees:		
Gabriel Dumont Institute Training & Employment Inc.	1,852,074	593,064
Account receivable:		
Gabriel Dumont Institute Training & Employment Inc.	389,360	131,500
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	245,991	-
Clearwater Clear Lake Metis Council Research, Inc.	1,010	1,010
Gabriel Dumont College, Inc.	189	-
Accounts payable and accrued liabilities:		
Gabriel Dumont Institute of Native Studies and Applied Research, Inc.	238,437	-
Gabriel Dumont Institute Training & Employment Inc.	-	2,159
Clarence Campbeau Development Fund	-	877
Clearwater Clear Lake Metis Council	1,866	1,866
Local Metis Management Board	-	4,804

# DUMONT TECHNICAL INSTITUTE INC.

Notes to Financial Statements (continued)

Year ended June 30, 2008

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## 7. Commitments:

The Institute is committed under various operating term leases with payments due as follows:

2009	\$	263,680
2010	\$	9,535
2011	\$	6,060
2012	\$	1,515

The majority of operating leases are renewable on an annual basis.

## 8. Economic Dependence:

The majority of funding for the operations of the Institute is proved by the Government of Saskatchewan. Funding is provided by annual grants.

## 9. Financial Instruments:

Cash and short-term investment are recorded at fair value. The carrying value of cash, accounts receivable and accounts payable and accrued liabilities, approximate fair value due to the short-term maturity of these items.

Due to the non-arms length relationship, it is not possible to approximate fair value of amount due to affiliate.

## 10. Pension plan:

The Institute contributed to a defined contribution pension plan that provides pension for the employees, based on a negotiated rate of contribution. The pension expense for the year was \$92,528 (2007 - \$75,971).

## 11. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation in the current year.

Financial Statements of

**GABRIEL DUMONT  
INSTITUTE TRAINING  
AND EMPLOYMENT INC.**

Year ended March 31, 2008





**KPMG LLP**  
**Chartered Accountants**  
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Saskatoon SK S7K 1M8

Telephone (306) 934-6200  
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## **AUDITORS' REPORT TO THE BOARD OF DIRECTORS**

We have audited the statement of financial position of Gabriel Dumont Institute Training and Employment Inc. as at March 31, 2008 and the statements of operations and cash flows for the period then ended. These financial statements have been prepared to comply with the Métis Human Resources Development Agreement dated November 7, 2006 with Human Resources and Social Development and the Employment Insurance Commission. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at March 31, 2008 and the results of its operations and its cash flows for the period then ended in accordance with the basis of accounting described in note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Directors of the Institute and Human Resources and Social Development and the Employment Insurance Commission to comply with the Métis Human Resources Development Agreement dated November 7, 2006. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

**KPMG LLP**

Chartered Accountants

Saskatoon, Canada  
July 4, 2008

## GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

### Statement of Financial Position

March 31, 2008, with comparative figures for 2007

	2008	2007
<b>Assets</b>		
Current assets:		
Cash	\$ -	\$ 2,947,259
Funding receivable from Service Canada	788,827	
GST receivable	15,075	5,361
	803,902	2,952,620
Furniture and equipment (note 3)	44,211	55,263
	\$ 848,113	\$ 3,007,883
<b>Liabilities</b>		
Current liabilities:		
Bank indebtedness	\$ 6,671	\$ -
Accounts payable and accrued liabilities	674,145	132,466
Due to related party (note 4)	-	294,494
Deferred revenue (note 5)	123,086	2,525,660
	803,902	2,952,620
Deferred contributions for furniture and equipment (note 6)	44,211	55,263
Commitments (note 7)		
	\$ 848,113	\$ 3,007,883

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

## Statement of Operations

Year ended March 31, 2008, with comparative figures for the period ended March 31, 2007

	2008	2007
Revenue:		
Service Canada (schedule 1)	\$ 11,565,267	\$ 949,278
Expenses (schedule 2):		
Service delivery (schedule 3)	8,033,696	385,077
Salaries and benefits	1,696,013	347,608
GDI Scholarship Fund	1,300,000	-
Facilities rentals	193,603	64,019
Staff travel	78,907	20,796
Telephone	60,489	26,502
Professional Fees	42,350	807
Office supplies	33,252	17,118
Miscellaneous	31,863	1,468
Equipment rentals	27,183	6,947
Public relations	14,546	22,077
Amortization	11,052	4,698
Interest and bank charges	10,408	1,231
Insurance	9,775	119
Postage and courier	6,009	2,101
Board travel	5,213	11,304
Contractual services and consulting	4,035	918
General board expense	1,976	9,667
Repairs and maintenance	1,853	667
Computer software support	1,751	26,154
Office	1,293	-
	11,565,267	949,278
Excess of revenue over expenses	\$ -	\$ -

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

## Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for the period ended March 31, 2007

	2008	2007
Cash flows from (used in):		
Operations:		
Items not involving cash:		
Amortization of furniture and equipment	11,052	\$ 4,698
Amortization of deferred contributions for furniture and equipment	(11,052)	(4,698)
Change in non-cash operating working capital:		
Funding receivable from Service Canada	(788,827)	-
GST receivable	(9,714)	(5,361)
Accounts payable and accrued liabilities	541,679	132,466
	(256,862)	127,105
Investing:		
Purchase of furniture and equipment	-	(59,961)
Financing:		
Increase (decrease) in due to related party	(294,494)	294,494
Deferred revenue	(2,402,574)	2,525,660
Deferred contributions for furniture and equipment	-	59,961
	(2,697,068)	2,880,115
Increase (decrease) in cash position	\$ (2,953,930)	2,947,259
Cash position, beginning of period	2,947,259	-
Cash position, end of period	\$ (6,671)	\$ 2,947,259

See accompanying notes to financial statements.

# **GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.**

Notes to Financial Statements

Year ended March 31, 2008

---

## **1. Organization:**

Gabriel Dumont Institute Training and Employment Inc. ("the Institute") is a not-for-profit organization that provides Métis people in Saskatchewan the opportunity to obtain training and education. This opportunity is provided through the Institute and funded through the Métis Human Resources Development Agreement (MHRDA) signed with Human Resources and Social Development and the Employment Insurance Commission (Service Canada). The Institute and its affiliates are incorporated under the Non-Profit Corporations Act of Saskatchewan and as such are not subject to income tax under the Income Tax Act (Canada). The institute commenced operations in November of 2006.

The Institute is jointly controlled with Gabriel Dumont Institute of Native Studies and Applied Research and its related entities: Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence Inc., Dumont Technical Institute Inc., and Gabriel Dumont Scholarship Foundation II, as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities. These financial statements do not include the operations of these other entities.

## **2. Significant accounting policies:**

### **(a) Basis of presentation:**

The financial statements have not been prepared in accordance with Canadian generally accepted accounting principles. Because these financial statements have not been prepared for general purposes, some users may require further information.

The financial statements have been prepared for the purposes of reporting to the Institute's primary funding agency, Service Canada. Accordingly, these financial statements have been prepared in accordance with accounting policies specified by Service Canada.

### **(b) Revenue recognition:**

The Institute follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions restricted for the purchase of furniture and equipment are deferred and recognized into revenue at a rate corresponding with the amortization rate for the related furniture and equipment.

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

### (c) Modified cash basis for programs:

Program claims submitted within twenty days of the financial statement date are accrued as program expenses and included in funding claims from Service Canada. Program expenses not submitted within the twenty days deadline are not recognized in the period when the activity occurred that caused the expense. This differs from Canadian generally accepted accounting principles in the expenses are to be recognized in the period incurred.

### (d) Furniture and equipment:

Furniture and equipment are stated at cost. Amortization is provided using the following method and annual rates:

Asset	Method	Rate
Computer equipment	Declining balance	20%
Furniture and equipment	Declining balance	20%

Amortization is recorded in the month the assets are put into use such that the total costs of the assets will be charged to operations over the useful life of the assets.

### (e) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

### (f) Employee benefits:

The Institute provides a defined contribution pension plan, life insurance, long and short-term disability coverage, dental, vision, and health care benefits to employees. Costs are expensed in year incurred. Pension expense was \$52,479 (\$24,329 for the period ended March 31, 2008).

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

### (g) Financial instruments:

Effective April 1, 2007 the Institute adopted the Canadian Institute of Chartered Accountant's Handbook Section 3855, Financial Instruments - Recognition and Measurement. Pursuant to the requirement of this Section, the Institute has designated all of its cash and short-term investments that may arise as "held for trading" and carried at fair value. Funding receivable from Service Canada is classified as "loans and receivable" and is measured at amortized cost. Accounts payable and accrued liabilities are classified as "other financial liabilities" and measured at amortized cost. The adoption of this accounting policy did not have a material impact on the financial statements of the Institute.

Bank indebtedness is carried at fair value. The carrying amounts of funding receivable from Services Canada and accounts payable and accrued liabilities approximate fair value due to the immediate or short-term maturity of these items.

## 3. Furniture and equipment:

	Cost	Accumulated amortization	2008 Net book value	2007 Net book value
Furniture and equipment:				
Head office	\$ 25,218	\$ 6,625	\$ 18,593	\$ 23,242
Saskatoon	1,646	432	1,214	1,517
Prince Albert	5,464	1,435	4,029	5,036
Nipawin	4,215	1,107	3,108	3,885
La Ronge	3,435	902	2,533	3,166
Yorkton	1,646	432	1,214	1,517
North Battleford	456	120	336	420
Meadow Lake	2,463	647	1,816	2,270
Ile a la Crosse	606	159	447	558
La Loche	4,306	1,131	3,175	3,969
Computer equipment:				
Head office	10,506	2,760	7,746	9,683
	\$ 59,961	\$ 15,750	\$ 44,211	\$ 55,263

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 4. Related party transactions:

During the year the Institute paid \$1,509,753 for service delivery (2007 - nil) to Dumont Technical Institute Inc. and \$1,300,000 (2007 - nil) to Gabriel Dumont Scholarship Foundation II for the funding of the GDI Scholarship Fund.

The Institute entered into a lease with Dumont Technical Institute Inc. to rent space and reception services. The Institute paid \$34,708 for these services for the period ended March 31, 2008 (2007 - \$4,340 for these services for the period ended March 31, 2007). Accounts payable and accrued liabilities include \$547,204 (2007 - \$nil) to Dumont Technical Institute and \$29,791 (2007 - \$36) to Gabriel Dumont Institute of Native Studies and Applied Research.

To assist in the start up of the Institute, the Gabriel Dumont Institute of Native Studies and Applied Research advanced \$294,494 to the Institute during the period ended March 31, 2007. This amount was subsequently repaid within twenty days from the year end as required by the MHRDA.

Certain administrative functions of the organization are managed by Gabriel Dumont Institute of Native Studies and Applied Research Inc. at no charge.

## 5. Deferred revenue:

All deferred revenue is in relation to Service Canada.

	2008	2007
Deferred revenue	\$ 123,086	\$ 2,525,246
Holdback	-	414
	\$ 123,086	\$ 2,525,660



## GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

### 6. Deferred contributions for furniture and equipment:

	2008	2007
Balance, beginning of period	\$ 55,263	\$ -
Service Canada revenue used to purchase furniture and equipment	-	59,961
Deferred revenue recognized	(11,052)	(4,698)
Balance, end of period	\$ 44,211	\$ 55,263

### 7. Commitments:

The Institute has specific commitments pursuant to operating leases for the rental of office space and equipment, as follows:

2009	\$ 223,361
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The operating leases are primarily based on monthly rentals.

### 8. Economic dependence:

All of the Institute's revenue was derived from Service Canada. The contract with Service Canada expires on March 31, 2009.

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 1

## Schedule of Revenue

Year ended March 31, 2008, with comparative figures for the period ended March 31, 2007

	Employment Insurance	Consolidated Revenue Fund	2008	2007
Service Canada contributions	\$ 3,339,852	\$ 5,811,789	\$ 9,151,641	\$ 3,530,201
Deferred revenue - beginning of period	-	2,525,660	2,525,660	-
Deferred revenue - end of period	-	(123,086)	(123,086)	(2,525,660)
Deferred contributions for furniture and equipment - beginning of period	-	55,263	55,263	-
Deferred contributions for furniture and equipment - end of period	-	(44,211)	(44,211)	(55,263)
Revenue recognized	\$ 3,339,852	\$ 8,225,415	\$ 11,565,267	\$ 949,278

# GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.

Schedule 2

## Schedule of Expenses

Year ended March 31, 2008, with comparative figures for the period ended March 31, 2007

	Employment Insurance	Consolidated Revenue Fund	2008	2007
<b>Program Administration Expenses</b>				
Wages and benefits	\$ -	\$ 582,996	\$ 582,996	\$ 150,687
Staff travel	-	52,075	52,075	8,664
Facilities rentals	-	43,193	43,193	36,440
Professional fees	-	42,350	42,350	807
Miscellaneous	-	15,034	15,034	1,468
Office supplies	-	14,270	14,270	5,805
Telephone	-	11,999	11,999	11,197
Public relations	-	11,234	11,234	22,077
Equipment rentals	-	10,552	10,552	6,947
Insurance	-	9,775	9,775	119
Interest and bank charges	-	8,391	8,391	1,011
Board travel & professional development	-	7,189	7,189	20,971
Amortization	-	6,585	6,585	4,698
Contractual services and consulting	-	4,035	4,035	918
Postage and courier	-	4,015	4,015	-
Computer software support	-	1,751	1,751	26,154
Office	-	557	557	-
Repairs and maintenance	-	-	-	667
	-	826,001	826,001	298,630
<b>Program Assistance Expenses</b>				
Student allowances	1,451,452	2,552,505	4,003,957	305,475
Education and training costs	1,634,846	2,218,392	3,853,238	48,384
GDI Scholarship Fund	-	1,300,000	1,300,000	-
Wages and benefits	836,323	276,694	1,113,017	196,921
Wage subsidies	144,021	32,480	176,501	31,218
Facilities rentals	-	150,410	150,410	27,579
Telephone	45,211	3,279	48,490	15,305
Staff travel	10,265	16,567	26,832	12,132
Office supplies	18,902	80	18,982	13,634
Miscellaneous	-	16,829	16,829	-
Equipment rentals	-	16,631	16,631	-
Amortization	-	4,467	4,467	-
Public relations	-	3,312	3,312	-
Interest and bank charges	-	2,017	2,017	-
Postage and courier	1,887	107	1,994	-
Repairs and maintenance	-	1,853	1,853	-
Office	-	736	736	-
	4,142,907	6,596,359	10,739,266	650,648
	\$ 4,142,907	\$ 7,422,360	\$ 11,565,267	\$ 949,278

**GABRIEL DUMONT INSTITUTE TRAINING AND EMPLOYMENT INC.**

## Schedule of Service Delivery Expenses

Year ended March 31, 2008, with comparative figures for the period ended March 31, 2007

	Saskatoon	Regina	Prince Albert	Nipawin	La Ronge	Yorkton	North Battleford	Meadow Lake	Ile a la Crosse	La Loche	Beauval	2008	2007
Living away CRF Regular	\$ -	\$ 500	\$ 5,094	\$ 1,400	\$ 2,625	\$ 125	\$ -	\$ 5,550	\$ 6,315	\$ 6,825	\$ 250	\$ 28,684	\$ -
Living away CRF Youth	2,125	-	-	-	-	125	-	4,300	3,125	4,415	-	14,090	1,050
Living away EI Regular	3,875	2,000	250	7,350	100	1,500	3,105	5,650	2,833	7,500	450	34,613	1,475
Living away EI Urban	1,125	-	143	-	-	-	-	-	-	-	-	1,268	-
Student allowance CRF Regular	471,070	137,820	299,470	63,457	78,804	43,713	75,558	103,035	114,594	90,820	19,838	1,498,179	199,149
Student allowance CRF Youth	203,062	95,881	195,614	-	18,415	250	13,115	39,136	68,225	63,748	-	697,446	21,530
Student allowance CRF Urban Youth	900	-	-	-	-	-	-	-	-	-	-	900	-
Student allowance EI Regular	264,161	127,004	267,682	24,210	33,599	16,584	60,704	105,758	65,959	57,315	16,240	1,039,216	78,737
Student allowance EI Urban	-	-	4,275	-	-	-	-	-	-	-	-	4,275	-
Student allowance EI Disabilities	44,829	-	13,585	-	-	4,950	5,245	-	-	-	7,025	75,634	-
Student travel CRF Regular	10,435	15,882	13,574	2,414	942	1,572	11,163	10,341	3,810	566	270	70,969	2,771
Student travel CRF Youth	1,881	3,111	553	-	249	1,764	-	5,548	6,293	1,550	-	20,949	1,304
Student travel EI Regular	8,905	6,928	30,059	1,018	415	296	14,718	6,609	4,601	737	675	74,961	1,984
Student travel EI Urban	1,350	311	1,568	-	-	228	1,297	-	-	-	-	4,754	-
Student travel EI Disabilities	-	-	-	-	-	-	-	-	-	-	333	333	-
Dependent care CRF Regular	39,012	12,380	31,898	5,659	16,703	4,995	9,594	9,099	7,763	14,790	5,665	157,558	15,398
Dependent care CRF Youth	5,686	2,891	22,678	6,714	1,400	-	1,800	5,216	4,967	18,417	-	70,471	12,049
Dependent care EI Regular	49,587	18,552	37,450	-	5,615	7,150	26,622	26,216	12,857	6,435	2,980	193,464	1,246
Dependent Care EI Disabilities	8,047	3,900	789	-	-	-	-	-	-	-	-	12,736	-
Tuition CRF Regular	316,744	104,394	215,654	52,217	126,524	18,078	76,327	146,892	156,144	65,688	11,628	1,290,290	-
Tuition CRF Youth	187,576	74,823	177,276	-	25,223	7,571	18,942	30,398	86,916	56,030	-	664,755	-
Tuition EI Regular	299,783	158,039	348,982	14,719	25,497	20,214	66,410	166,221	181,290	74,577	16,580	1,372,312	36,814
Tuition EI Urban	5,000	-	-	-	-	-	-	-	-	-	-	5,000	-
Tuition EI Disabilities	30,213	10,266	13,871	-	-	-	17,277	-	-	-	3,860	75,487	-
Books CRF Regular	45,068	22,674	17,371	6,937	12,830	2,206	2,518	11,642	9,583	6,559	4,225	141,613	7,782
Books CRF Youth	26,677	18,205	29,227	-	3,025	-	1,200	1,567	7,757	7,192	-	94,850	3,096
Books CRF Urban Youth	1,000	-	-	-	3,610	-	-	-	-	-	-	4,610	-
Books EI Regular	35,064	18,048	52,263	2,750	-	2,974	6,676	9,338	8,383	8,209	-	143,705	692
Books EI Disabilities	5,145	4,070	2,155	-	-	-	1,150	-	-	-	-	12,520	-
Wage Subsidy CRF Regular	5,726	7,148	-	-	-	-	-	-	-	-	-	12,874	-

Wage Subsidy CRF Youth	3,576	214	1,470	-	-	-	-	-	-	-	-	5,260	-
Wage Subsidy EI Regular	20,753	-	64,193	-	45,439	-	-	9,905	-	-	-	140,290	-
Wage Subsidy EI Disabilities	3,731	-	-	-	-	-	-	-	-	-	-	3,731	-
Student Work Experience CRF													
Youth	3,711	370	6,863	1,439	-	707	-	-	-	-	-	13,090	-
Special Needs allowance CRF													
Regular	-	525	-	-	-	-	-	-	-	-	-	525	-
Special Needs allowance CRF													
Youth	-	-	-	-	-	-	-	-	-	150	-	150	-
Special Needs allowance EI													
Regular	1,067	1,050	238	-	-	-	-	-	-	50	-	2,405	-
Special Needs allowance EI													
Disabilities	1,781	-	-	-	-	-	-	-	-	-	-	1,781	-
Student Work Experience CRF													
Regular	-	-	1,256	-	-	-	-	-	-	-	-	1,256	-
Supplies CRF Regular	1,916	2,413	1,997	1,073	490	-	643	1,767	545	1,065	50	11,959	-
Supplies CRF Youth	1,220	1,400	6,509	-	-	-	125	291	2,192	1,872	-	13,609	-
Supplies EI Regular	1,503	6,622	5,299	-	779	-	1,177	3,505	1,599	-	307	20,791	-
Supplies EI Disabilities	365	175	350	-	-	-	145	-	-	-	-	1,035	-
<hr/>													
	\$2,113,669	\$ 857,596	\$1,869,656	\$ 191,357	\$ 402,284	\$ 135,002	\$ 415,511	\$ 707,984	\$ 755,751	\$ 494,510	\$ 90,376	\$3,033,696	\$ 385,077
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Financial Statements of

**GABRIEL DUMONT  
COLLEGE, INC.**

Year ended March 31, 2008



**KPMG LLP**  
**Chartered Accountants**  
600 - 128 Fourth Avenue South  
Saskatoon SK S7K 1M8

Telephone (306) 934-6200  
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## **AUDITORS' REPORT TO THE MEMBERS**

We have audited the statement of financial position of Gabriel Dumont College, Inc. as at March 31, 2008 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures were audited by another firm of chartered accountants.

**KPMG LLP**

Chartered Accountants

Saskatoon, Canada  
May 30, 2008

# GABRIEL DUMONT COLLEGE, INC.

## Statement of Financial Position

March 31, 2008, with comparative figures for 2007

	2008	2007
<b>Assets</b>		
Current assets:		
Cash	\$ 160,631	\$ 274,914
Investments and marketable securities	121,787	116,735
Accounts receivable	268,168	156,327
Prepaid expenses	-	54
Due from related parties (note 3)	184,963	11,906
	735,549	559,936
Equipment (note 4)	23,113	28,891
	\$ 758,662	\$ 588,827
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 7,665	\$ 6,572
Net assets:		
Invested in equipment	23,113	28,891
Unrestricted	727,884	553,364
	750,997	582,255
	\$ 758,662	\$ 588,827

See accompanying notes to financial statements.



# GABRIEL DUMONT COLLEGE, INC.

## Statement of Revenue and Expenses

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Revenue:		
Tuition and related fees	\$ 445,911	\$ 267,259
Interest	10,578	16,264
Other	246	-
	456,735	283,523
Expenses:		
Salaries and benefits	209,934	198,819
Scholarships, tuition and student fees	52,185	42,394
Computer	8,166	9,809
Consulting fees	6,184	5,531
Amortization	5,778	7,223
Audit and legal	3,402	6,842
Start up allowances	800	800
Staff recruitment	632	504
Student recruitment	521	715
Travel	158	-
Miscellaneous	100	2,996
Direct course costs	70	-
Promotions	29	6,222
Bank charges	25	41
Courier	9	-
Administrative services	-	39,431
	287,993	321,327
Excess of revenue over expenses	168,742	(37,804)

See accompanying notes to financial statements.

# GABRIEL DUMONT COLLEGE, INC.

## Statement of Changes in Net Assets

Year ended March 31, 2008, with comparative figures for 2007

	Unrestricted	Invested in Equipment	Total 2008	Total 2007
Net assets, beginning of year	\$ 553,364	\$ 28,891	\$ 582,255	\$ 620,059
Excess of revenue over expenses	168,742	-	168,742	(37,804)
Amortization	5,778	(5,778)	-	-
Net assets, end of year	\$ 727,884	\$ 23,113	\$ 750,997	\$ 582,255

See accompanying notes to financial statements.

# GABRIEL DUMONT COLLEGE, INC.

## Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 168,742	\$ (37,804)
Items not involving cash:		
Amortization	5,778	7,223
Adjustment to fair value on investments	(674)	-
Net change in non-cash working capital accounts (note 5)	(283,751)	(16,623)
	(109,905)	(47,204)
Investing:		
Purchase of equipment	-	(1,667)
Increase in investments	(4,378)	(4,784)
	(4,378)	(6,451)
Decrease in cash	(114,283)	(53,655)
Cash, beginning of year	274,914	328,569
Cash, end of year	\$ 160,631	\$ 274,914

See accompanying notes to financial statements.

# GABRIEL DUMONT COLLEGE, INC.

Notes to Financial Statements

Year ended March 31, 2008

---

## 1. Nature of operations:

Gabriel Dumont College, Inc. ("GDC", "the College") has an affiliation with Saskatchewan Post-Secondary Education and Skills Training and the University of Saskatchewan. It provides a means of post-secondary education for Metis people. Non-Metis university students may enroll provided there is space available after Metis students have enrolled to a maximum total capacity of 40 people. The College is incorporated under the *Non-Profit Corporations Act of Saskatchewan* and as such is not subject to income tax under the *Income Tax Act (Canada)*.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute Inc., Gabriel Dumont Training & Employment Inc., and the Gabriel Dumont Scholarship Foundation. The Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the directors of all the controlled entities.

## 2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

### (a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

### (b) Revenue recognition:

The College follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

# GABRIEL DUMONT COLLEGE, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

### (c) Investments:

Effective April 1, 2007, the College adopted the Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial Instruments - Recognition and Measurement. Pursuant to the requirements of this Section, the College has designated all of its cash and investments as "held for trading" and records them at fair value. Accounts receivable are classified as "loans and receivables" and measured at amortized cost. Accounts payable and accrued liabilities are classified as "other financial liabilities" and measured at amortized cost. The adoption of this accounting policy did not have a material impact on the financial statements.

Investments are valued at year-end quoted market prices, where available.

In determining fair values, adjustments have not been made for transaction costs as they are not considered significant. The unrealized gain or loss on investments, being the difference between book value and fair value, is included in interest revenue in the statement of operations.

### (d) Equipment:

Equipment is stated at cost. Amortization is provided using the following methods and annual rates:

Asset	Method	Rate
Computer equipment	Declining	20 %
Other equipment	Declining	20 %

Amortization is recorded in the month the assets are put into use such that the total cost of the assets will be charged to operations over the useful life of the assets.

### (e) Financial instruments:

Cash and investments are recorded at fair value. For certain of the College's financial instruments including accounts receivable and accounts payable and accrued liabilities, the carrying amounts approximate fair value due to the immediate or short-term maturity of these items. It is not possible to determine the fair value of amounts due from affiliates due to the non-arms length nature of the relationships between the related parties.

# GABRIEL DUMONT COLLEGE, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 3. Due from related parties:

This represents amounts due from related parties which are non-interest bearing and have no set repayment terms.

## 4. Equipment:

				2008	2007
	Cost	Accumulated amortization		Net book value	Net book value
Computer equipment	\$ 60,034	\$ 38,686	\$	21,348	\$ 26,685
Other equipment	9,818	8,053		1,765	2,206
	\$ 69,852	\$ 46,739	\$	23,113	\$ 28,891

Computer equipment with a net carrying value of \$21,348 represents Gabriel Dumont College's one third interest in a computer system that is shared with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and Dumont Technical Institute Inc.

## 5. Net change in non-cash working capital accounts:

	2008	2007
Accounts receivable	\$ (111,841)	\$ 42,872
Due from related parties	(173,057)	(59,013)
Prepaid expenses	54	(54)
Accounts payable	1,093	(428)
	\$ (283,751)	\$ (16,623)

# GABRIEL DUMONT COLLEGE, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

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## 6. Related party transactions:

Significant transactions undertaken with Gabriel Dumont Institute of Native Studies and Applied Research, Inc. during the year are as follows:

	2008		2007	
Administrative services	\$	-	\$	39,431
	\$	-	\$	39,431

## 7. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Financial Statements of

**THE GABRIEL DUMONT  
SCHOLARSHIP FOUNDATION II**

Year ended December 31, 2007





**KPMG LLP**  
**Chartered Accountants**  
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## AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of The Gabriel Dumont Scholarship Foundation II as at December 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures were audited by another firm of chartered accountants.

**KPMG LLP**

Chartered Accountants

Saskatoon, Canada  
March 12, 2008

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

## Statement of Financial Position

December 31, 2007, with comparative figures for 2006

	2007	2006
<b>Assets</b>		
Current assets:		
Cash	\$ 72,006	\$ 8,892
Accounts receivable	-	36,009
	72,006	44,901
Investments (note 2)	1,161,222	1,206,681
	\$ 1,233,228	\$ 1,251,582
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 23,468	\$ 17,573
Deferred revenue	-	2,640
	23,468	20,213
Net assets:		
Restricted for endowment purposes (note 3)	1,040,000	1,040,000
Unrestricted	169,760	191,369
	1,209,760	1,231,369
	\$ 1,233,228	\$ 1,251,582

See accompanying notes to financial statements.

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

## Statement of Operations

Year ended December 31, 2007, with comparative figures for 2006

	2007	2006
Revenue:		
Interest	\$ 58,445	\$ 48,784
Donations	12,640	8,510
	71,085	57,294
Expenses:		
Scholarships	50,790	50,127
Bad debts	36,009	-
Administrative services	5,895	5,435
Bank charges	-	25
	92,694	55,587
Excess (deficiency) of revenue over expenses	\$ (21,609)	\$ 1,707

See accompanying notes to financial statements.

## THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

### Statement of Changes in Net Assets

Year ended December 31, 2007, with comparative figures for 2006

	Unrestricted	Restricted for Endowment Purpose	2007	2006
Balance, beginning of year	\$ 191,369	\$ 1,040,000	\$ 1,231,369	\$ 1,229,662
Excess (deficiency) of revenue over expenses	(21,609)	-	(21,609)	1,707
Balance, end of year	\$ 169,760	\$ 1,040,000	\$ 1,209,760	\$ 1,231,369

See accompanying notes to financial statements.

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

## Statement of Cash Flows

Year ended December 31, 2007, with comparative figures for 2006

	2007	2006
Cash flows from (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ (21,609)	\$ 1,707
Items not involving cash:		
Amortization of discount on investments	(274)	(452)
Adjustment for fair value on investments	(7,253)	-
Change in non-cash operating working capital:		
Accounts receivable	36,009	(5,400)
Accounts payable and accrued liabilities	5,895	5,435
Deferred revenue	(2,640)	1,600
	10,128	2,890
Investing:		
Purchase of investments	(151,005)	(136,459)
Redemption of investments	203,991	117,509
	52,986	(18,950)
Increase in cash	63,114	(16,060)
Cash, beginning of year	8,892	24,952
Cash, end of year	\$ 72,006	\$ 8,892

See accompanying notes to financial statements.

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements

Year ended December 31, 2007

---

## Foundation biography:

The Gabriel Dumont Scholarship Foundation II (the Foundation) was established by a trust agreement between The Gabriel Dumont Institute of Native Studies and Applied Research, Inc. and the Trustees. This agreement specifies the restrictions under which the trust may be operated.

On April 1, 2000, the Foundation was incorporated and assets were transferred from the Gabriel Dumont Scholarship Foundation, in accordance with the Trust Agreement.

The purpose of the Foundation is to devote itself to charitable activities of which the primary purpose is the advancement of education of Metis and Non-Status Indians in the Province of Saskatchewan. It is registered with Canada Revenue Agency as a charitable organization and is therefore exempt from income tax.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. controls Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute Inc., and the Gabriel Dumont Scholarship Foundation II, as the Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the same directors and the only directors of the controlled entities.

## 1. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

### (a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2007

---

## 1. Significant accounting policies (continued):

### (b) Investments:

Effective January 1, 2007, the Foundation adopted the Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial Instruments - Recognition and Measurement. Pursuant to the requirements of this Section, the Foundation has designated all of its cash and investments as "held for trading" and records them at fair value. Accounts receivable are classified as "loans and receivables" and measured at amortized cost. Financial liabilities are classified as "other financial liabilities" and measured at amortized cost.

Investments are valued at year-end quoted market prices, where available. Short-term investments in guaranteed investment certificates and treasury bills are valued at cost plus accrued interest which approximates the fair value of the investment.

In determining fair values, adjustments have not been made for transaction costs as they are not considered significant. The unrealised gain or loss on investments, being the difference between book value and fair value, is included in interest revenue in the statement of operations.

### (c) Revenue recognition:

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue on investments is recorded as it is earned.

### (d) Scholarships:

Scholarships are recorded as payable when the scholarships have been granted and recipient has met all the requirements and obligations.

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2007

---

## 1. Significant accounting policies (continued):

### (e) Administrative services:

The Foundation is charged for administrative services provided by The Gabriel Dumont Institute of Native Studies and Applied Research, Inc. These charges are based on a percentage of interest revenue, not to exceed 15%.

### (f) Financial instruments:

Cash and investments are recorded at fair value. For certain of the Foundation's financial instruments, including accounts receivable and accounts payable and accrued liabilities the carrying amounts approximate fair value due to the immediate or short-term maturity of these items.



# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2007

## 2. Investments and change in accounting policy:

Effective January 1, 2007, the Foundation adopted the Canadian Institute of Chartered Accountants' Handbook Section 3855, Financial Instruments - Recognition and Measurement. Pursuant to the requirements of this Section, the Foundation has designated all of its investments as held for trading and carries them at fair value. The adoption of this accounting policy did not have a material impact on the beginning balance of investments at January 1, 2007.

The adoption of this accounting policy resulted in an unrealized gain of \$7,253 included in interest revenue in the statement of revenue and expenses for the year ended December 31, 2007.

2007					
Maturity	Interest Rate %	Guaranteed Investment Certificates and Treasury Bills	Federal and Provincial Bonds	Total	Total Market Value
2008	4.00 to 4.55	\$ 541,852	\$ -	\$ 541,852	\$ 536,454
2009	3.95 to 4.66	183,212	30,229	213,441	217,705
2010	4.00 to 5.45	218,081	25,000	243,081	248,017
2011	4.55 to 4.85	80,000	-	80,000	81,547
2012	0.00 to 4.55	-	25,000	25,000	25,690
Thereafter		25,128	24,999	50,127	51,809
		\$ 1,048,273	\$ 105,228	\$ 1,153,501	\$ 1,161,222

2006					
	Interest Rate %	Guaranteed Investment Certificates and Treasury Bills	Federal and Provincial Bonds	Total	Total Market Value
2007	4.350 to 5.30	\$ 58,534	\$ 92,660	\$ 151,194	\$ 152,901
2008	4.200 to 4.55	402,886	-	402,886	402,887
2009	3.950 to 4.66	183,211	38,914	222,125	222,165
2010	3.970 to 5.45	25,000	200,353	225,353	228,402
2011	0.000 to 4.55	30,000	-	30,000	30,000
Thereafter	3.750 to 5.08	-	175,123	175,123	174,261
		\$ 699,631	\$ 507,050	\$ 1,206,681	\$ 1,210,616

# THE GABRIEL DUMONT SCHOLARSHIP FOUNDATION II

Notes to Financial Statements (continued)

Year ended December 31, 2007

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## 2. Investments and change in accounting policy (continued):

Under the terms of the trust agreement, the Endowment fund can be invested only in investments which are guaranteed by government either through loan guarantee, issuance of bonds or depositor insurance. This criteria allows that, essentially, funds can only be invested in guaranteed investment certificates, treasury bills or government bonds.

## 3. Net assets restricted for endowment purposes:

In accordance with the terms of the original trust agreement, the principal amount originally endowed of \$600,000 must remain untouched. Furthermore, the trust agreement stipulates that attempts should be made to maintain the real value, in 1985 dollars, of the \$600,000 principal amount. The consumer price index has been used to measure incremental growth in the endowment. At December 31, 2007, the endowment did not meet this objective.

## 4. Related party transactions:

The Foundation had the following transactions during the year with The Gabriel Dumont Institute of Native Studies and Applied Research, Inc.:

	2007		2006	
Administrative services	\$	5,895	\$	5,435
	\$	5,895	\$	5,435

Financial Statements of

**GABRIEL DUMONT  
INSTITUTE COMMUNITY  
TRAINING RESIDENCE, INC.**

Year ended March 31, 2008



**KPMG LLP**  
**Chartered Accountants**  
600 - 128 Fourth Avenue South  
Saskatoon SK S7K 1M8

Telephone	(306) 934-6200
Fax	(306) 934-6233
Internet	<a href="http://www.kpmg.ca">www.kpmg.ca</a>

## AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Gabriel Dumont Institute Community Training Residence, Inc. as at March 31, 2008 and the statements of operations and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Residence's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Residence as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The comparative figures were audited by another firm of chartered accountants.

**KPMG LLP**

Chartered Accountants

Saskatoon, Canada  
July 30, 2008

# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

## Statement of Financial Position

March 31, 2008, with comparative figures for 2007

	2008	2007
<b>Assets</b>		
Current assets:		
Cash	\$ 65,492	\$ 83,309
Account receivable and prepaid expenses	6,779	6,716
	<u>72,271</u>	<u>90,025</u>
Property, plant and equipment (note 3)	251,774	260,004
	<u>\$ 324,045</u>	<u>\$ 350,029</u>
<b>Liabilities and Net Assets (Deficiency)</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 8,334	\$ 26,558
Due to related parties (note 4)	302,991	302,744
Current portion of mortgage payable (note 5)	25,000	25,000
	<u>336,325</u>	<u>354,302</u>
Mortgage payable (note 5)	111,432	103,407
Net assets (deficiency)		
Unrestricted - residence operations	(398,130)	(392,057)
Invested in property, plant and equipment	115,342	131,597
Restricted - building fund	159,076	152,780
	<u>(123,712)</u>	<u>(107,680)</u>
	<u>\$ 324,045</u>	<u>\$ 350,029</u>

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Statement of Operations and Changes in Net Assets

Year ended March 31, 2008, with comparative figures for 2007

	Unrestricted - Residence Operations	Invested in Property, Plant & Equipment	Restricted - Building Fund	2008	2007
Revenue	\$ -	\$ -	\$ 35,668	\$ 35,668	\$ 38,204
Expenses:					
Repairs and maintenance	-	-	21,928	21,928	30,385
Amortization	155	-	8,075	8,230	8,606
Accrued mortgage interest	-	-	8,025	8,025	7,265
Professional fees	6,048	-	-	6,048	5,763
Property taxes	-	-	5,686	5,686	5,611
Insurance	-	-	1,758	1,758	2,980
Office and general	25	-	-	25	25
Administration	-	-	-	-	3,750
	6,228	-	45,472	51,700	64,385
Net (expense) revenue	(6,228)	-	(9,804)	(16,032)	(26,181)
Net (deficit) assets, beginning of year	(392,057)	131,597	152,780	(107,680)	(81,499)
Amortization	155	(8,230)	8,075	-	-
Mortgage interest	-	(8,025)	8,025	-	-
Net (deficit) assets, year	\$ (398,130)	\$ 115,342	\$ 159,076	\$ (123,712)	(107,680)

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

## Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Cash flows from (used in):		
Operations:		
Net (expense) revenue	\$ (16,032)	\$ (26,181)
Items not involving cash:		
Accrued mortgage interest	8,025	7,265
Amortization	8,230	8,606
Net change in non-cash working capital accounts (Note 6)	(18,040)	32,121
	(17,817)	21,811
Increase (decrease) in cash	(17,817)	21,811
Cash, beginning of year	83,309	61,498
Cash, end of year	\$ 65,492	\$ 83,309

See accompanying notes to financial statements.

# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Notes to Financial Statements

Year ended March 31, 2008

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## 1. Nature of Organization:

Gabriel Dumont Institute Community Training Residence, Inc. (the "Residence") is a not-for-profit Organization that was established to provide training and counselling to female offenders through funding from the Department of Corrections and Public Safety (formerly Saskatchewan Department of Justice). The funding agreement with the Department of Corrections and Public Safety under which the Residence has carried on its operations for training expired on March 31, 1996. Under the terms of that agreement the Department of Corrections and Public Safety is required to lease the building out of which the Residence's operations have been conducted, until March 31, 2016.

The Residence is incorporated under the *Non-Profit Corporations Act of Saskatchewan* and as such is not subject to income tax under the *Income Tax Act (Canada)*.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. manages Gabriel Dumont College, Inc., Gabriel Dumont Institute Community Training Residence, Inc., Dumont Technical Institute, Inc., and the Gabriel Dumont Scholarship Foundation. The Board of Directors of Gabriel Dumont Institute of Native Studies and Applied Research, Inc. are the directors of all the controlled entities. The ongoing operations of Gabriel Dumont Institute Community Training Residence, Inc. is dependent upon the continued support of Gabriel Dumont Institute of Native Studies and Applied Research, Inc.

## 2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

### (a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

### (b) Fund accounting:

Revenue and expenses related to program delivery and administrative activities are reported in the following funds:



# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

### (i) Residence operations:

This fund is used for the general operations of the Residence. All operational transactions are recorded in the accounts of this fund.

### (ii) Building fund:

The fund includes revenues specifically designated by the Department of Corrections and Public Safety for the mortgage payments and related building expenses including amortization, insurance, interest and property taxes.

### (c) Revenue recognition:

The Residence follows the deferral method of accounting. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### (d) Property, plant and equipment:

Property, plant and equipment are initially recorded at cost. Donated assets are recorded at their estimated fair market value plus other costs incurred at the date of acquisition. Normal maintenance and repair expenditures are expensed as incurred.

Amortization is recorded in the accounts on the declining balance method at the following rates:

Asset	Method	Rate
Furniture and equipment	Declining balance	20%
Building	Declining balance	4%

Amortization is charged for the full year in the year of acquisition. No amortization is taken in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful lives of the assets. Gains or losses on the disposal of individual assets are recognized in income in the year of disposal.

# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 2. Significant accounting policies (continued):

### (e) Financial instruments:

Cash is recorded at fair value. For certain of the Residence's financial instruments, including accounts receivable and accounts payable and accrued liabilities the carrying amounts approximate fair value due to the immediate or short-term maturity of these items. The fair value of amounts due to related parties and mortgage payable are not determinable due to the non-arms length nature of the relationships between the parties.

## 3. Property, plant and equipment:

				2008	2007
	Cost	Accumulated amortization		Net book value	Net book value
Land	\$ 57,344	\$ -	\$ 57,344	\$ 57,344	\$ 57,344
Building	403,141	209,330	193,811	201,886	201,886
Equipment and furniture	33,657	33,038	619	774	774
	\$ 494,142	\$ 242,368	\$ 251,774	\$ 260,004	

## 4. Due to related parties:

The amounts due to related parties are non-interest bearing and have no set repayment terms.

## 5. Mortgage payable:

	2008	2007
Gabriel Dumont Institute of Native Studies and Applied Research, Inc. loan due on demand bearing interest at CIBC prime plus 1% (5.25 % at March 31, 2008; 7.00% at March 31, 2007) against which the building has been pledged as collateral. Unpaid interest is added to the debt balance.	\$ 136,432	\$ 128,407
Current portion	(25,000)	(25,000)
	\$ 111,432	\$ 103,407

# GABRIEL DUMONT INSTITUTE COMMUNITY TRAINING RESIDENCE, INC.

Notes to Financial Statements (continued)

Year ended March 31, 2008

## 5. Mortgage payable (continued):

The carrying value of debt approximates fair value.

Gabriel Dumont Institute of Native Studies and Applied Research, Inc. has indicated they will not be demanding repayment in the next fiscal year but has requested that \$25,0000 be paid towards the debt in the upcoming fiscal year.

## 6. Net change in non-cash working capital accounts:

	2008	2007
Accounts receivable and prepaid expenses	\$ (63)	\$ 5,080
Accounts payable	(18,224)	20,335
Due to related parties	247	6,706
	<u>\$ (18,040)</u>	<u>\$ 32,121</u>

## 7. Related party transactions:

Significant transactions undertaken with related parties during the year are as follows:

	2008	2007
Gabriel Dumont Institute of Native Studies and Applied Research Inc.		
Interest expense	\$ 8,025	\$ 7,265
	<u>\$ 8,025</u>	<u>\$ 7,265</u>

Certain administrative functions of the Residence are managed by Gabriel Dumont institute of Native Studies and Applied research, Inc. at no charge.

